VZCZCXRO1031 PP RUEHFK RUEHKSO RUEHNAG RUEHNH DE RUEHKO #4328/01 2612252 ZNR UUUUU ZZH P 182252Z SEP 07 FM AMEMBASSY TOKYO TO RUEHC/SECSTATE WASHDC PRIORITY 7642 INFO RUEKJCS/SECDEF WASHDC PRIORITY RHEHAAA/THE WHITE HOUSE WASHINGTON DC PRIORITY RUEAWJA/USDOJ WASHDC PRIORITY RULSDMK/USDOT WASHDC PRIORITY RUCPDOC/USDOC WASHDC PRIORITY RUEAIIA/CIA WASHDC PRIORITY RUEKJCS/JOINT STAFF WASHDC//J5// RHHMUNA/HQ USPACOM HONOLULU HI RHHMHBA/COMPACFLT PEARL HARBOR HI RHMFIUU/HQ PACAF HICKAM AFB HI//CC/PA// RUALSFJ/COMUSJAPAN YOKOTA AB JA//J5/J021// RUYNAAC/COMNAVFORJAPAN YOKOSUKA JA RUAYJAA/CTF 72 RUEHNH/AMCONSUL NAHA 5614 RUEHFK/AMCONSUL FUKUOKA 3200 RUEHOK/AMCONSUL OSAKA KOBE 6845 RUEHNAG/AMCONSUL NAGOYA 2161 RUEHKSO/AMCONSUL SAPPORO 3925 RUEHBJ/AMEMBASSY BEIJING 8996 RUEHUL/AMEMBASSY SEOUL 5056 RUCNDT/USMISSION USUN NEW YORK 5953

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E.O. 12958: N/A

TAGS: OIIP KMDR KPAO PGOV PINR ECON ELAB JA

SUBJECT: DAILY SUMMARY OF JAPANESE PRESS 09/18/07

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ARTICLES:

(1) Spot poll on Prime Minister Abe's resignation

ASAHI (Page 3) (Full)

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September 14, 2007
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Questions & Answers (Figures shown in percentage, rounded off.)

Q: Prime Minister Abe has now announced his resignation. Do you think it's good?

Yes 51 No 29

Q: Prime Minister Abe made his policy speech before the Diet at the offset of its current extraordinary session. Two days later, when he was to have answered questions from party representatives, he announced his resignation. Do think it is irresponsible to announce his resignation at that time?

Yes 70 No 22

Q: Were you surprised at Prime Minister Abe's announcement of his resignation?

Yes 67 No 30

Q: Mr. Abe has served as prime minister for about one year. What's your rating for his job performance as prime minister? (One choice only)

Appreciate very much 4 Appreciate somewhat 33 Don't appreciate very much 45

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Don't appreciate at all 15

Q: In order to fight terrorist groups in Afghanistan, the United States and other foreign countries have sent their naval fleets to the Indian Ocean. The Antiterrorism Special Measures Law, which is for the Self-Defense Forces to back up their fleets, is to expire Nov. 1. The government will introduce a new legislative measure to the Diet in order for Japan to continue the SDF's activities there. However, the Democratic Party of Japan (Minshuto) is poised to oppose the legislation. Do you support it?

Yes 35 No 45

Q: Prime Minister Abe explained why he decided to step down, saying he thought to himself that he had to resolve the situation in order to continue the SDF's activities in the Indian Ocean. Is this explanation convincing?

Yes 11 No 75

Q: Who would you like to see become the next prime minister? Pick only one from among Dietmembers.

Taro Aso 14
Yasuo Fukuda 13
Junichiro Koizumi 11
Ichiro Ozawa 6
Yoichi Masuzoe 2
Sadakazu Tanigaki 2
Nobutaka Machimura 1
Other politicians 2
No answer (N/A) + don't know (D/K) 49

Q: Which political party do you support now? (Figures in parentheses denote the results of a survey taken Aug. 27-28.)

Liberal Democratic Party (LDP) 30 (25) Democratic Party of Japan (DPJ or Minshuto) 28 (32) New Komeito (NK) 3 (3)
Japanese Communist Party (JCP) 2 (3)
Social Democratic Party (SDP or Shaminto) 1 (1)
People's New Party (PNP or Kokumin Shinto) 0 (0)
New Party Nippon (NPN or Shinto Nippon) 0 (0)
Other political parties 0 (1)
None 30 (29)
N/A+D/K 6 (6)

Q: Do you think the House of Representatives should be dissolved as soon as possible for a general election? (Figures in parentheses denote the results of a survey conducted July 30-31.)

Yes 50 (39) No 43 (54)

Q: Would you like the current LDP-led coalition government to continue, or would you otherwise like it to be replaced with a DPJ-led coalition government? (Figures in parentheses denote the results of a survey conducted July 21-22.)

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LDP-led government 33 (30) DPJ-led government 41 (46)

Polling methodology: The survey was conducted Sept. 13 over the telephone on a computer-aided random digit dialing (RDD) basis. Respondents were chosen from among the nation's voting population on a three-stage random-sampling basis. Valid answers were obtained from 1,029 persons (62 PERCENT).

(2) Prime minister to be elected on Sept. 25; Cabinet likely to be formed that night

YOMIURI (Page 1) (Full) Eve., September 18, 2007

With Prime Minister Abe expected to step down shortly, the government and the ruling coalition this morning decided to elect a prime minister in both the chambers of the Diet on Sept. 25. The new prime minister is expected to form a cabinet possibly later that day. The government plans to undertake coordination with the opposition parties on a plan for the prime minister to deliver a general-policy speech on Sept. 28 and hold a question-and-answer session to the speech on Oct. 1-3. Meeting the press this morning, Chief Cabinet Secretary Yosano commented: "Given that a new president of the Liberal Democratic Party (LDP) will be chosen on Sept. 23, it is only natural for the Abe cabinet to resign en masse at a cabinet meeting (on Sept. 25). It is also customary to designate a prime minister once the cabinet resigns en masse."

A government official this morning said: "A new prime minister will be elected late at night on Sept. 25. A new cabinet will be set in motion possibly within Sept. 25 or 26."

The Diet Affairs Committee chairmen and other officials of the LDP and its junior coalition partner New Komeito this morning met and confirmed that a new prime minister would be designated in both the chambers of the Diet on Sept. 25. Afterwards, the LDP's Diet Affairs Committee Chairman Tadamori Oshima and others met separately with their counterparts of the opposition parties and consulted with them on this timetable. The opposition parties basically accepted it.

In the Lower House, a new president of the LDP is expected to be designated as prime minister. In the Upper House, which is under the opposition parties' control, the main opposition Democratic Party of Japan's (DPJ) President Ichiro Ozawa is likely to be designated as prime minister. In this case, precedence is given to the person who is designated by the Lower House over the person designated by the Upper House.

(3) 2007 LDP presidential race: Fukuda would cooperate with DPJ for continued Indian Ocean refueling mission; Aso would not hesitate to resort to Lower House overriding Upper House vote

TOKYO SHIMBUN (Page 2) (Abridged slightly) September 18, 2007

Former Chief Cabinet Secretary Yasuo Fukuda and LDP Secretary General Taro Aso are in the midst of a one-on-one race in the run-up to the September 23 LDP presidential election. Given the reversal of positions between the ruling and opposition parties in the Upper House, which is now under the opposition bloc's control, how are the two contestants planning to change Prime Minister Shinzo Abe's

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policies? This article examines their main policy stances.

Prime Minister Abe's decision to step down was triggered by the issue of extending the Maritime Self-Defense Force's refueling mission in the Indian Ocean.

The Antiterrorism Special Measures Law, enacted following the 9/11 terrorist attacks on America, will expire on Nov. 1.

The Democratic Party of Japan (DPJ or Minshuto), now the largest party in the Upper House, has clearly expressed its opposition to extending the MSDF mission, saying there was no need to support an American war for self-defense. It will be near impossible to obtain Diet approval for a bill amending the Antiterrorism Law before it expires on Nov. 1.

The government and ruling parties fear erosion in Japan's international credibility if the MSDF has to withdraw from the Indian Ocean following the expiration of the Antiterrorism Law, the legal basis for the MSDF mission.

At the September 8 Japan-US summit meeting, Prime Minister Abe announced his determination to make utmost efforts to continue refueling operations. At a press conference the following day, Abe also announced that he would "stake his job" on the extension of the refueling mission, deeming it an "international commitment."

This was taken to reveal Abe's strong resolve to use the ruling bloc's two-thirds majority in the Lower House to override an Upper House rejection of new legislation that would follow a temporally halt to the refueling mission.

Fukuda and Aso are in total accord on continuing the refueling mission, thinking Japan's failure to do so would draw international criticism. But when it comes to a second vote by the Lower House to override the Upper House vote, Fukuda remains cautious, while Aso is eager to use that approach.

Secretary General Aso, who previously served as foreign minister

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under the Abe administration, has completely inherited Abe's thinking. Asked about the Lower House re-voting on the bill, based on talks with the DPJ, Aso noted, "This is something that must be done even if public opinion oppose it."

Fukuda's opinion, on the other hand, is that re-adoption is the last resort, as there are many options before that.

Fukuda, when serving as chief cabinet secretary in the Koizumi administration, was responsible for the Antiterrorism Law being enacted. Fukuda is well aware of repeated talks with the DPJ regarding prior Diet approval.

Fukuda is eager to hold talks with the DPJ in order to win the largest opposition party's cooperation for a continued refueling mission.

Fukuda also offered an apology for the Diet being effectively out of session due to the LDP presidential race, saying, "I, too, feel responsible for causing trouble."

This can be taken as Fukuda's message to the DPJ in an attempt to set the stage for the major opposition to come to the negotiating

table.

Even if talks with the DPJ get underway, there are not good ideas for extracting compromises from the largest opposition party. Clearing the way for a continued refueling mission still appears extremely difficult.

(4) Seiron: "Sept. 11" symbolizes Japan-US relations

SANKEI (Page 11) (Full) September 18, 2007

By Koji Murata, professor at Doshisha University

Difference in sense of time in Iraq and US

I was in Washington on Sept. 11 this year, the anniversary of the terrorist attacks on the United States. I have been there over the past one and a half months.

Appearing at a congressional hearing that day, General David Petraeus, commander in Iraq, recommended cutting the number of US troops by 30,000 by next summer, emphasizing improvement in the security situation in Iraq. But both Democratic and Republican Party members are increasingly irritated because the government has prepared no long-term exit strategy to end the US engagement in Iraq. Some even called Petraeus "betray us." There is a wide gap between the strategic sense of time in Iraq (priority to stability) and the political sense of time in Washington (priority to withdrawal).

The Bush administration has yet to come up with any tactics to link the strategic sense of time and the political sense of time. Those critical of the Iraq war will also be unable to maintain public support as long as they just repeat their conventional argument that the situation in Iraq is a quagmire. It is difficult to predict how the Republican and Democratic presidential candidates will address the Iraq problem and what the situation in Iraq will be on Sept. 11 of next year. It is certain, though, that the answers to these questions will significantly affect the outcome of the presidential election next fall.

"War on terrorism" and Japan-US alliance

On Sept. 11 two years ago, the LDP (then Prime Minister Junichiro Koizumi) won a historic victory in a snap election held after Koizumi dissolved the House of Representatives, with the privatization of postal services as the sole campaign issue. It was said at that time that the Japan-US alliance was in the "most stable shape" or in a "golden age" under the strong personality and leadership of Prime Minister Koizumi and based on the LDP's rock-solid power base.

Two years and a day later, however, Prime Minister Shinzo Abe announced his resignation. This decision surprised and disappointed many people. The prime minister's resignation came too late to take responsibility for the LDP's crushing defeat in the earlier House of Councillors election and too early to fulfill his responsibility to extend the Antiterrorism Special Measures Law. Although Abe might have made the bitter decision due to his poor physical condition, he cannot avoid being labeled irresponsible as the leader of "a beautiful country." No matter whom the LDP picks as Abe's successor,

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it is expected to become necessary for the government to seek the voters' judgment by holding a Lower House election in the near future. The main opposition party might be able to grab political power.

Negative factors are appearing in relations between Japan and the US. First of all, there is the issue of extending the Antiterrorism Law. Even if Japan discontinues the Maritime Self-Defense Force's refueling operation in the Indian Ocean, the alliance will not come

to an end. Even so, the refueling operation in the Indian Ocean is more effective despite the cost and risk being far lower than if Japan were to dispatch SDF troops to Afghanistan.

The refueling mission is highly required and justified by the international community, going beyond the framework of the Japan-US alliance. At present, 75 countries have cooperated with the US in fighting terrorism. Not only the US but even Afghanistan, Pakistan and many other countries have expressed appreciation for Japan's refueling mission.

The Democratic Party of Japan once opposed the Antiterrorism Law. But I remember that it was opposed not to the purport of the legislation itself but to the provision for prior Diet approval. Meanwhile, it is a matter for regret that the government has given no full explanation about the contents of the MSDF activities in the Indian Ocean, as pointed out by the DPJ. The government should be aware that it must fully explain its security and foreign policies to the public.

Difficult issues related to Iraq and North Korea

In the six-party talks on North Korea's denuclearization, as well, Japan has found itself isolated more frequently over the abduction issue (setting aside whether Japan is actually isolated or not), given the recent rapid improvement in relations between the US and North Korea. Such a situation was inconceivable two years ago.

Washington's tough stance toward North Korea and Abe's resolute posture on the abduction issue gave Abe a boost to the post of prime minister. It was after the midterm elections last year when the US government began to change its policy course significantly. Over the Iraq issue, the US altered its course after neoconservatives, who also have a bad reputation in Japan, were driven out of the Bush administration. This means that neoconservatives were indisputably echoing the Japanese public in dealing with North Korea.

Nobody can tell what will become of the Japanese political situation and Japan-US relations on Sept. 11 of next year. What is clear now is that the leaders of both Japan and the US are required to fulfill their responsibility to explain to the international community and their peoples and present their respective long-term and realistic strategies on Iraq and North Korea.

(5) Five years since signing of Japan-DPRK Pyongyang Declaration, but no prospect in sight for a resolution of abduction issue

NIKKEI (Page 2) (Almost full) September 18, 2007

Five years passed yesterday since then Prime Minister Junichiro Koizumi made a sudden visit to Pyongyang, North Korea, where he and General Secretary Kim Jong Il signed the Pyongyang Declaration.

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Afterwards, although five abductees and their families members were ultimately allowed to repatriate to Japan, but on the whereabouts of other abductees and the prospect of normalization of relations between the two countries, progress is nowhere in sight. North Korea policy has become a topic for debate in the ongoing presidential campaign of the ruling Liberal Democratic Party (LDP), but in order for Japan to seriously undertake negotiations with North Korea, the domestic political situation must first be stabilized.

"The current policy line of unrelenting pressure on North Korea may shift if (former Chief Cabinet Secretary) Yasuo Fukuda is chosen as prime minister," one Foreign Ministry official noted. "Full-fledged Japan-North Korea talks will not start before the next cabinet establishes its policy," another commented. Foreign Ministry officials, wearing expressions that reflected their mixed feelings, are keeping tabs on moves in the Diet at Nagata-cho as the LDP presidential campaign continues.

After the release of the Pyongyang Declaration, Tokyo consistently maintained a "dialogue-and-pressure line" toward the North.

But the government and the ruling bloc became divided over the question of which was more important, dialogue or pressure, and policy confusion often reigned.

A hard-liner who favored applying more pressure, Prime Minister Shinzo Abe served as deputy chief cabinet secretary when the Pyongyang Declaration was released. At the time, Abe was at the forefront of the hard-liners. During Koizumi's visit to Pyongyang, Abe insisted that General Secretary Kim should apologize to Japan, and he also prevented the five abductees from being sent back to the North after their "temporary return" to Japan. As a result, Abe became even better known as the next leader of the hard-liners.

Even after taking office as prime minister, Abe emphasized the need to pressure the North and would not budge even an inch from his principle that he would not provide economic assistance to the DPRK without progress first on the abduction issue. Secretary General Taro Aso, foreign minister in the first Abe cabinet, backed this policy. If Aso becomes prime minister, he would likely follow Abe's hard line.

If Fukuda becomes prime minister, he would likely modify the previous line. When Fukuda served as chief cabinet secretary, he and then Asian and Oceanian Affairs Bureau Director-General Hitoshi Tanaka of the Foreign Ministry promoted a dialogue line.

Some in the government in this regard commented: "Fukuda is flexible about holding talks with the North Koreans, so he could move relations forward more easily."

There is another matter of concern for Japan, namely, how the Bush administration, approaching its final year, will respond to the North in the months ahead. The Bush administration is moving ahead with talks with the Kim regime presumably to achieve results on North Korean issues while the President is in office. The Bush administration is in a hurry to resolve the nuclear issue though six-party talks.

If Japan continues to refuse to provide economic assistance in exchange for progress on the nuclear issue as a result of excessively sticking to the abduction issue, discord with the US and

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China could grow.

"President Bush is really angry about the North having abducted Japanese, but he is not about to put a stop to US talks with North Korea." Views like this are widespread in the government and the ruling coalition.

It is likely therefore that the North Korean issue will hamper the efforts of the next cabinet. There are so many tasks to be handled that the presidential campaign cannot deal with all of them.

(6) CO2 emissions credits: Japanese companies obtain 90 million tons or half the amount they must reduce

NIKKEI (Top Play) (Slightly abridged) September 17, 2007

The Nikkei learned that Japanese companies have amassed nearly 90 million tons in CO2 emissions rights in annual terms through overseas greenhouse gas reduction projects. This is equivalent to half the amount Japan is mandated to cut between 2008 and 2012 under the Kyoto Protocol. The cost needed to amass that amount is expected to reach more than 400 billion yen. The industry and energy sector, the largest carbon dioxide emitter, will be very close to achieving its goal. However, the nation has a long way to go to meet its emissions reduction goal of 6 PERCENT . Reductions by the household and transport sectors will come into focus now.

The Kyoto Protocol mandates that Japan cut its greenhouse gas emissions by approximately 76 million tons or 6 PERCENT on average between 2008 and 2012 from the 1990 level of 1.261 billion tons. However, with emissions in 2005 up 7.8 PERCENT from the 1990 level, the amount Japan must cut has increased to 175 million tons. CO2

credits leading Japanese companies have amassed are equivalent to half of this amount. Companies can use the CO2 credits they have amassed to achieve reduction targets they independently set. The government can enter that amount into a reduction record achieved by Japan as a whole.

The industry and energy sector, such as factories and power generation plants, need to cut more than 30 million tons compared with the 2005 level. Those companies have amassed carbon dioxide emissions rights largely exceeding that figure. However, there is a strong possibility of their CO2 emissions increasing due to expanded production activities. In addition, if the shutdown of the Kariwazaki-Kariwa Nuclear Power Plant in Kashiwazaki following the Chuetsu Earthquake is made up for with thermal power generation, greenhouse gas emissions will increase by 28 million tons this fiscal year alone.

Trading houses have obtained emissions rights in a large quantity in a plan to sell them to the government, which plans to secure about 20 million tons worth a year, and to companies that have failed to achieve their voluntary reduction targets. Chances are that even the amassment of about 90 million tons a year will not cover the amount needed by the industry and energy sector. A move to secure more credits will likely appear.

The Japanese government approved 92 projects in the January-June half of 2007, double the number it did in the July-December half of 12006. The total amount of CO2 credits Japan has amassed has reached 89 million tons a year, according to the tally by the Nikkei.

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The power industry as of early this year had revealed plans to acquire 6 million tons a year, but the leading seven companies alone have already obtained 15.8 million tons a year. Among leading steel companies, Nippon Steel Corporation is the only company that has obtained 1 million tons a year as of this moment. The steel industry has revised its CO2 credit purchase plan from 5.6 million tons a year to over 8 million tons. The overall cost of obtaining CO2 credits is estimated to reach between 450-670 billion yen.

Japan is limited in what it can do in achieving its reduction goal with CO2 credits alone. The Environment Ministry has calculated that if energy-saving household electronic appliances are disseminated, it would be possible to cut CO2 emissions by more than 40 PERCENT from the 174 million tons emitted in 2005. How to promote the replacement of such appliances will likely become a pending issue.

(7) Assistant Language Teachers (ALT) in public primary, middle and high schools: Move to avoid JET program accelerating due to increased troubles, such as teachers returning home halfway through tour, being late for classes

SANKEI (Page 2) (Full) September 18, 2007

JET or the Japan Exchange and Teaching is a Government of Japan program that dispatches Assistant Language Teachers (ALT) to public primary, middle and high schools throughout the nation. This newspaper has learned on Sept. 17 that the program is fraught with troubles involving foreigners who came to Japan as JET teachers. There have been cases in which ALTs returned home on their own accord before completing their contract period or were frequently late for their teaching classes. A move to avoid using the JET program is accelerating, with a number of local governments switching to similar services rendered by the private sector, which charges less. The government's English education program, which has been in place for more than 20 years, is now at a major turning point.

Three ministries, including the now defunct ministry of home affairs (now Internal Affairs Ministry), launched JET in 1987 with the aim of boosting English education. ALTs, who are supposed to provide support to the regular teachers, are mainly assigned to public schools.

According to related sources, 1,038 municipalities accepted ALT's this year. The number is half that of the peak year of 2002. The number of foreigners who took part in the program has dropped to 5,119, down approximately 13 PERCENT from 2002.

The number of ALT's who returned home for their own personal reasons before completing their one-year contract period, such as having found jobs in their home countries, has increased annually. There also have been many cases of ALTs arriving late for their teaching classes or being absent from school - attributed to the difficulty of communicating due to the language barrier. In fiscal 2005, 160 ALT's or nearly 4 PERCENT of all returned home in mid-contract.

The JET program does not fill such vacancies. The cost of participating in the program is also a major issue. Accepting one ALT costs a municipality about 6 million yen a year to cover approximately 300,000 yen a month in pay, relocation expenses and

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social insurance premiums.

Receiving similar services from a private company is reportedly 80 PERCENT lower that the cost involved when accepting an ALT dispatched under the JET program.

In urban areas, where there are many private firms, such as English language schools, many public schools have stopped using the JET program. Most municipalities in Tokyo have adopted a private consignment system from the beginning.

Yokohama City stopped using JET in fiscal 2003. It switched from 114 ALT's to teachers dispatched by private companies. As one municipal educator explained, "JET is above all a system for international exchange. The private sector is a better choice since it can provide capable teachers at a cheaper price."

SCHIEFFER